



U.S. DEPARTMENT OF ENERGY
Office of Electricity Delivery and Energy Reliability
Infrastructure Security and Energy Restoration

ENERGY ASSURANCE DAILY

Friday Evening, July 29, 2016

Electricity

Wildfire Disrupts Snare Hydro Transmission Lines to Yellowknife, Northwest Territories July 28

A wildfire affecting transmission lines from the Snare hydro system caused a city-wide power outage on Thursday afternoon in Yellowknife, which has a population of nearly 20,000 people. N.W.T. Power's spokesperson said the fire disrupted the hydro line somewhere south of the Snare hydro station but the smoke was too thick to determine where the disruption occurred and what kind of damage, if any, the line suffered. Power was restored later Thursday afternoon as the city was relying on diesel power from Jackfish Lake and hydro power from the small Bluefish hydro plant. A second outage occurred just after power was fully restored due to equipment failure – power was restored a second time once the generators were checked and restarted. The cause of the failure was still under investigation, N.W.T. Power said.

https://twitter.com/NTPC_News

<http://www.cbc.ca/news/canada/north/wildfire-takes-out-snare-hydro-line-to-yellowknife-1.3699816>

Entergy's 813 MW FitzPatrick Nuclear Unit in New York Reduced to 70 Percent by July 29

On the morning of July 28 the unit was operating at 84 percent.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2016/>

Exelon's 1,093 MW Peach Bottom Nuclear Unit 3 in Pennsylvania Reduced to 90 Percent by July 29

On the morning of July 28 the unit was operating at full power.

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2016/>

Blythe Energy's 493 MW Gas-fired Unit in California Reduced by July 28

The unit entered an unplanned curtailment of 253 MW.

<http://content.aiso.com/unitstatus/data/unitstatus201607281515.html>

Petroleum

Update: PES Buying Gasoline after FCCU Shut at Its 335,000 b/d Philadelphia, Pennsylvania Refinery – Sources

Philadelphia Energy Solutions (PES) was in the market for gasoline after the company shut an 85,000 b/d fluid catalytic cracking unit (FCCU) at the Girard Point section of its Philadelphia refinery, according to traders. PES buying gasoline would suggest it is bracing for a longer shutdown, two market participants said, as they would need that product to meet customer agreements. Two people familiar with the plant's operations said Thursday that plans were underway to restart the FCCU within 24 hours after it was shut on Wednesday evening when an associated air-blower failed.

Reuters, 12:14 July 28, 2016

Update: Petrobras' 112,229 b/d Pasadena, Texas Refinery Reports Start-up July 29 after Weather-Related Outage July 25

Petrobras reported a planned unit start-up at its Pasadena, Texas, refinery on Friday, after a lightning strike triggered a shutdown of the plant on Monday. The start-up procedure was expected to last until August 1 and cause emissions from the refinery's 56,000 b/d fluid catalytic cracking unit (FCCU), according to a filing with the Texas Commission on Environmental Quality. A source familiar with refinery operations told Reuters on Thursday that the refinery had restarted for the first time since the shutdown, and that the plant was making adjustments to production to ensure that refined products met specifications. Inclement weather led to a plant-wide power outage at the refinery on Monday afternoon, leading to the temporary closure of a section of the Houston Ship Channel, while residents of a town north of the major waterway were told to shelter indoors.

Reuters, 9:19 July 29, 2016

Phillips 66 Expects Additional Storage at Its Beaumont Terminal in Texas to Be in Service by End of 2016

Phillips 66 on Friday said its Beaumont Terminal, in Nederland, Texas, has 3.2 million barrels of new storage capacity under construction. The company expected 2 million barrels of new crude storage to be in service by year-end and 1.2 million barrels is expected to be in operation by mid-2017. The terminal has the capacity to store 4.7 million barrels of crude oil and 2.4 million barrels refined products

<http://www.businesswire.com/news/home/20160729005177/en/Phillips-66-Reports-Second-Quarter-Earnings-496-Million>

<http://www.phillips66.com/EN/about/our-businesses/midstream/Pages/transportation.aspx>

Enbridge Limits Heavy Feeder Crude Deliveries into Edmonton by 25 Percent August 1–9

Enbridge Inc. will be limiting deliveries from heavy feeder crude pipelines in Edmonton, Alberta, by 25 percent from August 1–9 due to high inventory levels, according to a July 28 customer letter seen by Reuters. The move comes as the majority of Canadian oil sands producers have returned to normal operations following wildfires in May, causing a build-up of crude in the area. Enbridge will continue to review its stockpiles and adjust receivable limits, the letter added.

Reuters, 10:53 July 29, 2016

Update: Imperial Oil, Suncor, Enbridge Report Second Quarter Production Losses Due to Impact of Alberta Wildfires

Imperial Oil on Friday reported reduced output by about 60,000 b/d due to the wildfires that impacted northern Alberta's oil sands in May. Imperial was forced to shut down its Kearl project as a precaution against the wildfires although its share of output from Kearl increased nearly 20 percent to 110,000 b/d of bitumen in the second quarter. Imperial is now ramping up Kearl to full capacity of 220,000 b/d. Suncor Energy on Wednesday said the fires reduced its second quarter oil sands production by some 20 million barrels. Enbridge Inc. said deliveries were curbed by about 255,000 b/d during the months of May and June, or about a 10 percent loss in throughput. Enbridge executives on Friday said 50,000–60,000 b/d of extra capacity would be added on its mainline from September. The industry will need an extra 700,000 b/d of capacity by 2020 to accommodate production growth, the Chief Executive Officer said.

http://www.imperialoil.ca/Canada-English/about_media_releases_20160729.aspx

<http://www.suncor.com/newsroom/news-releases/2074412>

<http://www.enbridge.com/media-center/news/details?id=2074885&lang=en&year=2016>

<http://www.bloomberg.com/news/articles/2016-07-29/enbridge-profits-fall-after-fires-curbed-second-quarter-output>

Reuters, 9:49 July 29, 2016

Reuters, 21:36 July 27, 2016

Canadian Oil Sands Producers Consider New Investments in Northern Alberta

Cenovus Energy and MEG Energy on Thursday outlined preliminary plans to add new oil sands production at their northern Alberta operations. Cenovus Energy said it was doing engineering and rebidding work on phase G of its Christina Lake thermal project, which was put on hold in 2015. It said it would decide whether to proceed with the 50,000 b/d expansion by December. MEG Energy said it could invest up to \$22.81 million in its existing project to boost production by 30,000–40,000 b/d. Around 20 projects in northern Alberta's oil sands, the world's third-largest crude reserves, had been put on hold since mid-2014. Analysts cautioned against concluding that oil sands growth would rebound rapidly, and said most companies would remain cautious given volatile crude prices. Suncor Energy, Canada's largest oil and gas producer, said on Thursday it was unlikely to approve any big growth projects for the next couple of years.

<http://www.reuters.com/article/us-canada-energy-oil-sands-idUSKCN1082KA>

Natural Gas

Williams Partners Announces FERC Approval of Transco Expansion Projects in New York City, Virginia July 28

Williams Partners L.P. on Thursday announced that the Federal Energy Regulatory Commission (FERC) approved applications for both the New York Bay Expansion, designed to serve increasing local distribution demand in New York City, and the Virginia Southside II Expansion, which will fuel new electric-power generation in Virginia. Construction on each project is expected to commence during the fourth quarter of 2016, with each scheduled to be placed into service during the fourth quarter of 2017. The New York Bay Expansion is designed to bring 115 MMcf/d of firm transportation capacity into National Grid's distribution system to the Rockaway Delivery Lateral and the Narrows meter station. The Virginia Southside II Expansion is designed to provide 250 MMcf/d of firm transportation capacity to a delivery point on a new lateral off Transco's Brunswick Lateral in Virginia, providing additional natural gas needed to serve a new 1,580 MW combined-cycle, natural gas-fired generation facility that Dominion Virginia Power is constructing in Greensville County, Virginia.

<http://investor.williams.com/press-release/williams/williams-partners-announces-ferc-approval-transco-expansion-projects-new-york>

Other News

Nothing to report.

International News

Iran to Reach Pre-Sanctions Oil Output Level in 2–3 Months – Communications Minister

Iran needs two to three months to achieve its pre-sanctions level of oil production, the Iranian Communications Minister said on Friday. Iran has to date reached 80 percent of its pre-sanctions oil outputs.

http://www.rigzone.com/news/oil_gas/a/145917/Iran_Needs_23_Months_To_Reach_PreSanctions_Oil_Output_Level

OPEC Oil Output Set to Reach Record High in July – Reuters Survey

The Organization of the Petroleum Exporting Countries' (OPEC's) oil output is likely in July to reach its highest in recent history, a Reuters survey found on Friday. Supply from OPEC has risen to 33.41 million b/d in July from a revised 33.31 million b/d in June, according to the survey based on shipping data and information from industry sources. In July, the biggest increase of 90,000 b/d came from Iraq, which has exported more barrels from its southern and northern ports despite a pipeline leak that restrained southern exports.

Reuters, 10:28 July 29, 2016

Energy Prices

U.S. Oil and Gas Prices July 29, 2016			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	41.40	43.07	48.72
NATURAL GAS Henry Hub \$/Million Btu	2.76	2.70	2.88

Source: Reuters

Links

This Week in Petroleum from the U.S. Energy Information Administration (EIA)

<http://www.eia.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

Weekly Petroleum Status Report from EIA

http://www.eia.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html

Updated after 10:30 AM & 1:00 PM ET every Wednesday.

Natural Gas Weekly Update from EIA

<http://www.eia.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM ET every Thursday.

ENERGY ASSURANCE DAILY

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<http://www.oe.netl.doe.gov/ead.aspx>

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